



Precious Teakwood

WHAT YOU NEED TO KNOW

Your Guide to
Understanding the
International World of Teak
Ownership and How You
Can Benefit

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Your guide to understanding the world of Teak

Teak (*tectona grandis*) is a valuable, highly sought-after hardwood. In this guide, you will learn how an investment in timber, historically proven to be high return & low risk, can be your key to creating generational wealth and providing you with the perfect Plan B Second Residency.

We will explore the unique financial properties of teak, such as being a hedge against inflation. We'll further investigate the global supply and demand chain of teak, noting the importance of India as the world's primary importer of teak. We'll also explore why **Latin America is the most investor-friendly teak market for North American investors.**

The History of Teak

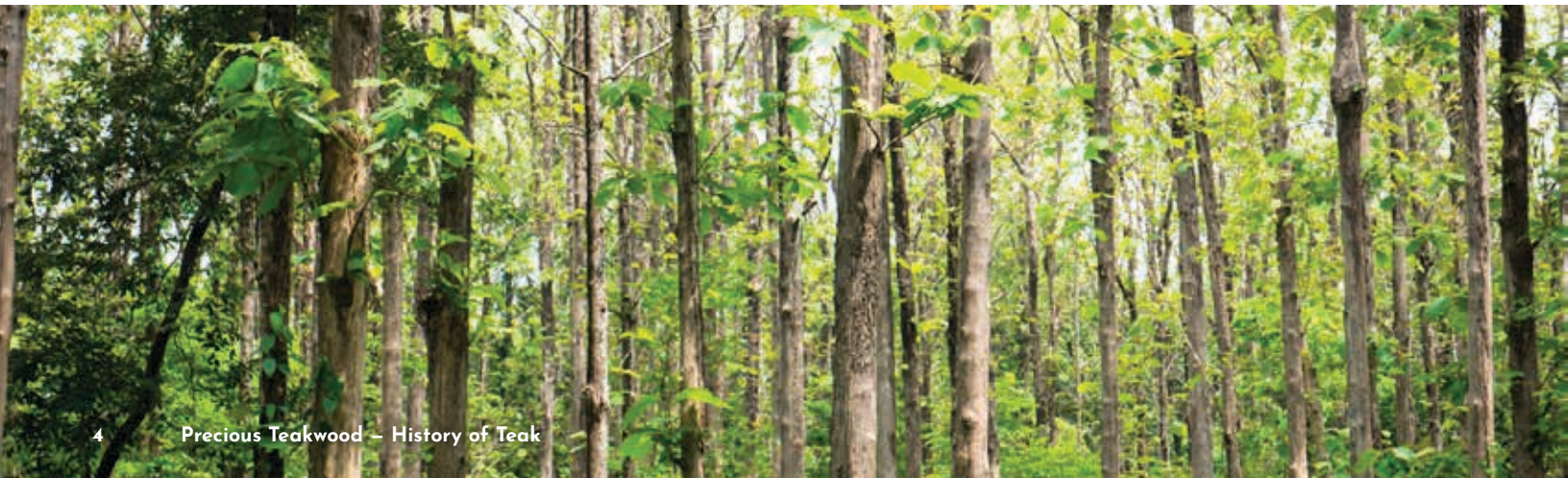
Native to southeast Asia, teakwood has been used for centuries. In its earliest years, teak was used by native tribes of Southeast Asia to build homes, tools, and boats. In an archaeological dig in Berenice Panchrysos, an ancient port on the Indian Roman trade route, remnants of a teak boat were found, with experts dating its origins nearly 2000 years ago.

In addition to its use in construction, teak has been used for centuries in many Southeast Asian countries for medicinal purposes for fighting headaches and stomach pain, and when brewed as a tea, useful for combating fevers.

Commercial farming of teak began in 1680, in Sri Lanka, where farmers saw the value in this magnificent tree. Nearly 150 years later, India caught up and teak plantations grew exponentially throughout India. Teak quickly gained popularity with the British empire and they demanded the wood for their Navy ships, as well as to build bridges throughout Europe and Asia (*many of which are still standing today*).

The British valued the teak wood for its natural resistance to rot, pests, and corrosion, which allowed the Navy to extend the life of their ships considerably. British Naval officers and crew members would dismantle the teak ships at the end of their careers and began to use the teak floor boards as bench tops. This was around the same time that it became popular for individuals and families to frequent parks, and teak benches began to pop up in parks throughout England (*many are still in use today*). Teak farms later spread outside of Asia, in the early 1900's with seeds brought to Nigeria from India and then later to the Americas, with Trinidad & Tobago being the first countries in the region to plant teak. Soon after, countries like Honduras, Costa Rica, and Panama followed suit as it became apparent that teak plantations were a legitimate way of earning money.

Today there are more than 3 million hectares (2 billion square meters) of land reserved for teak plantations throughout the world.





What is Teak Used for?

Due to its remarkable qualities including being resistant to rot, fungus, termites, and fire, teak has an established role in the production of many high-end wood products. It is commonly used as the hardwood of choice to make top-quality outdoor furniture and high-end home construction materials that are known to last for centuries.

Additionally, teak is the preferred wood used in the production of boats, specifically to make the decking. Fun fact - did you know the deck of the Titanic was made out of teak? Today, most well-known, luxurious boat companies use teak, including Chris Craft boats whose tagline is "trademark teak." The price tag on a new Chris Craft teak boat starts around \$95,000 for one of their smaller boats, while larger yachts can have a price tag of over \$900,000.

Growing Demand

The market for timber is exceptionally strong and growing consistently.

Prominent American investor Richard Hall, the portfolio manager for the Forest Investment Association, says that despite the slight decrease in demand for printed media, there is an overall increase in demand for wood products as a whole. This is driven by the growing number of consumers entering the middle-class world-wide who drive up the demand for wood products such as packaging, consumer products and tissue. Notable investment site Investopedia notes that even recycling efforts have had little impact on decreasing demand for forest-related products.



This is especially true in growing markets, such as China and India. Hall notes that this demand for timber products is directly correlated with both population growth and economic growth. Combine this with the fact that China and India, two countries that are experiencing very strong economic and population growth, are the two largest markets for timber products. By 2100, both India and China are projected to be the two most populous countries. Based on these statistics, we can assume that the timber market will continue to grow in the long term.





Global Supply of Teak

INDIA AND CHINA

Myanmar's log exportation ban has had a significant impact on the Chinese and Indian teak markets. As a result of the exportation ban, rapid price increases and demand for high-quality teak logs saw sharp increases in teak prices from around \$750/m³ in late 2013 to nearly \$2,000/ m³ in early 2014. ⁽¹⁾

India is by far the most important market for teak and teak wood products. The vast majority of the world's teak supply ends up within the borders of India. The International Tropical Timber Organization (ITTO) reported in its 2016 "Teak Trade and Market - ITTO's Perspective" that in the year 2015, India imported over \$161 million USD worth of teak logs. ⁽²⁾ This figure, compared

to China's import of \$131 million USD worth of teak logs, makes it abundantly apparent that India is the largest consumer of teak logs worldwide, and that the significance of India in terms of global demand for teak cannot be overstressed.

This massive importation of teak is despite the fact that India is one of only four countries in the entire world where teak grows naturally. However, due to excessive logging of teak in India, starting during the British rule in the 19th century and continuing until the mid 20th century, a ban was placed on the logging of Indian teak in 1980. Since then, India has become the world's most significant importer of teak.

Country	Surface Area 1995 (ha)	Surface Area 2010 (ha)
Argentina	–	10.000
Brazil	–	65.000
Colombia	1.710	–
Peru	–	150
Ecuador	1.000	45.000
Cuba	–	6.280
Trinidad and Tobago	7.500	9.000
Belize	500.000	100.000
Jamaica	60.000	40.000
Costa Rica	14.040	31.500
El Salvador	2.010	9.760
Guatemala	1.710	3.000
Nicaragua	630.000	7.960
Panama	3.900	55.000
Total	33.060	242.790

Due to its revered status in Indian culture, objects made from teak are considered to be of exceptionally high quality and are a symbol of status and style. In addition to being used for such items as outdoor furniture, which is a common use of teak worldwide, teak is also used in India for a number of other products. Specifically, teak is used extensively to make doors, window frames, indoor furniture, columns and beams in India. The Indian demand for teak has been increasing over the past several decades due to many factors, one of the most prominent being the population increase (*further discussed on page 9*).

Much like in India, teak products are highly valued and sought after and are considered a status symbol in China. Thought by ancient Chinese, Burmese, and Thai royalty to be a “royal tree”, teak maintains its elite status today. Teak furniture became popular in China in the 1920’s and 1930’s, and the western-style “Colonial Shanghai style” art-deco furniture pieces began to pop up in wealthy homes across China. Still today, teakwood sculptures and outdoor garden furniture are popular throughout affluent Chinese homes due to teak’s durability and historical status symbol. ⁽³⁾

SOUTHEAST ASIA

Southeast Asia is the original birthplace of teak and naturally where the largest concentration of native teak forests are located. As a result, this region is considered incredibly valuable and important in the teak industry. However, as noted previously, recent government bans on the logging of natural teak forests have drastically decreased the amount of teak coming out of Southeast Asia. For instance, there are only 4 countries in the world that have natural teak forests: Thailand, India, Laos and, by far the largest, Myanmar (*formerly Burma*). All of these countries have placed bans on the logging of teak from natural forests, mostly as a reaction to the severe over-logging of natural teak forests that has occurred over the past several years.

Myanmar had traditionally been the world leader in supplying teak, making up as much as 75% of the global teak supply. This is good news for those with interests in non-Myanmar based teak, however. Przemyslaw Jan Walotek, the director of WaKa Serviços de Investimentos Florestais Ltda, a forestry investment firm, notes in The Food and Agriculture Organization of the United Nation's report, *Global Teak Trade in the Aftermath of Myanmar's Log Export Ban* that "... the log export ban in Myanmar is said to have created a market opportunity for international suppliers of plantation teak from Africa and Latin America to expand sales to India and other countries." ⁽⁴⁾

On April 1, 2014, Myanmar placed a ban on the exporting of raw, unprocessed teak logs, which had accounted for the majority of the country's teak exports. The infrastructure for processing teak within Myanmar is insufficient to maintain previous teak export levels. As a result, teak exports from Myanmar saw a drastic decrease in recent years. But despite this, the over-logging problem persisted in Myanmar. In 2017, the Myanmar government imposed a 10-year ban on the logging of teak and timber covering the entire Bago Mountain Range, Myanmar's major source of teak.

This means that the world's traditional supply of teak is being choked off, creating a serious void for the foreseeable future in supply of teak. This all means that the global teak supply is now coming less from natural teak forests, and more from teak plantations. Some of these plantations are located in countries that have traditionally grown and exported teak, such as India, Thailand, Laos and Myanmar, however; many of these plantations are located in other tropical weather nations of the world including Africa and Latin America, where several nations are becoming home to teak plantation. Countries in these regions are looking to fill the void that government bans and over-logging in southeast Asia have created.



LATIN AMERICA

To look at it simply, Southeast Asia was the birthplace of teak, and Africa was the second wave of teak. Latin America is the third wave.

Over the past 2 decades, Latin America has emerged as a major player in the production of teak trees. Although traditionally not a major producer of teak, the region has recently experienced a massive increase in the amount of cultivated land used specifically for teak production. This is due to the ideal growing conditions that are present in Latin America for growing teak. Teak can only be grown in very specific climates and soil conditions, and parts of Latin America are home to these conditions. Recognizing the incredible value and opportunity that teak has, many entrepreneurial individuals and businesses have begun growing teak in this region.

Teak plantations have been started in many countries in Latin America over the past few past decades. Refer to the chart below, which was published in 2013 by the Tropical

Agronomic Center of Investigations and Education (CATIE), a reputable forestry entity of the Costa Rican government, to further understand the growing teak industry in Latin America.

Panama is an especially important nation for the growing of teak, being the second largest teak producer in Latin America after Brazil, and the largest in Central America. This is because the geographical and climatological features of Panama mimic those of Southeast Asia, where teak is naturally grown. For this reason, Panama provides excellent teak production capabilities. These production capabilities have been recognized and are being utilized in Panama today to make it one of the most important producers of teak in Latin America and in the world.



The Pacific coast of Nicaragua also exhibits the same geographic and climatological characteristics needed for exceptional teak growth and production. More importantly, the predictable 4-6-month dry season produces the highest quality of teak. It is the dry season that “cures” the heartwood, producing the ultra-hard, fine grained lumber that is so prized in the furniture industry.

Teak in Central and South America is unique from other worldwide teak plantations, in that it is predominantly owned by private corporations and stakeholders, as opposed to being owned by a government entity, as it typically is in the rest of the world. In Asia, Africa and the Caribbean, for example, most teak, both planted and natural growth (Asia) is owned by the government. Whereas in Central and South America, governments only own between 1% and 12% of planted teak, while the private sector owns 88% of planted teak in Central America and 99% in South America. ⁽⁵⁾ The reason that Latin American governments choose to let the teak

industry be primarily controlled by private entities is that the main concerns of the governments are to create and encourage reforestation projects. They can accomplish this best by allowing and incentivizing private corporations and private smallholder enterprises to plant and grow teak.

Latin America by and large has no such restrictions on foreigners owning teak reforestation plantations for cyclical harvests.



This provides investors in Central and South America with a unique opportunity to benefit from ownership of teak in these countries. It is considerably easier to invest in a privately held parcel on an established teak plantation than investing in a government owned parcel of teak, which would be difficult or even impossible, depending on the policy of the government towards foreign investors. For example, in Myanmar, the State-Owned Economic Enterprises (SEE) Law specifies 12 areas in which it is illegal for foreigners to invest. The first area in this list: the “extraction and sale of teak in Myanmar and abroad”. ⁽⁶⁾ Latin America by and large has no such restrictions on foreigners owning teak reforestation plantations for cyclical harvests.

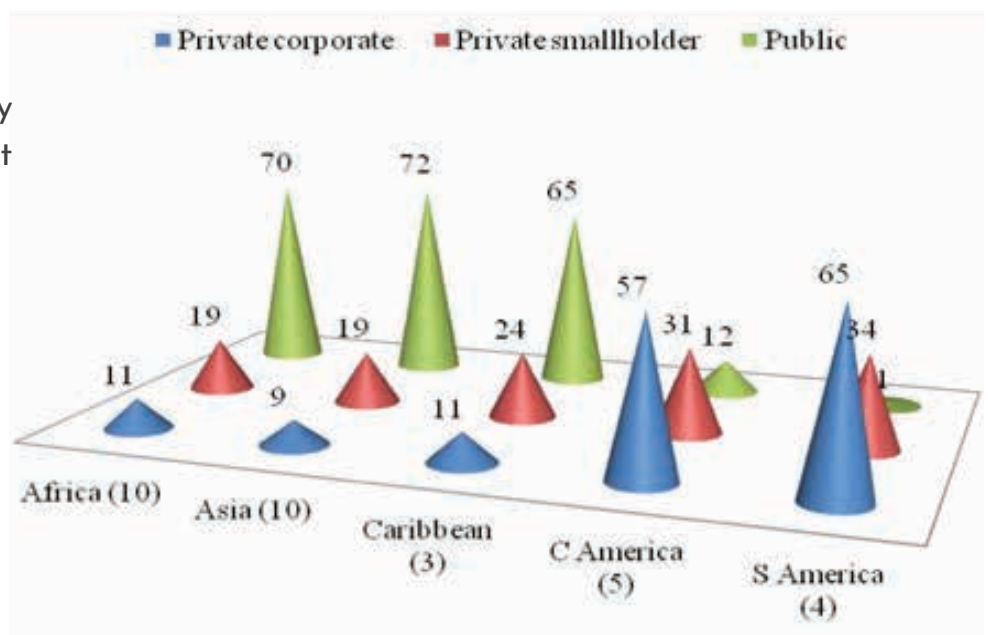
Panama, for example, has welcomed foreign investors to participate in private projects. Panama’s Legislative Assembly Law 24 (November 23, 1992), offers incentives to those who own certified reforested land. Incentives include exemption from property tax on the reforested land (*so long as the owners remain registered with the National Institute of Natural Resources (INRENA)*) As a benefit to owners who own certified reforested land, they are exempt from property tax on their reforested land and from income tax on their harvest yields.

See Figure 1 on the next page for exact details on percentages of teak owned by various groups in the different parts of the world.



Figure 1

Percentages of teak owned by various groups in the different parts of the world. ⁽⁴⁾





Mean Annual Increment (MAI) and Rotation Period by Region

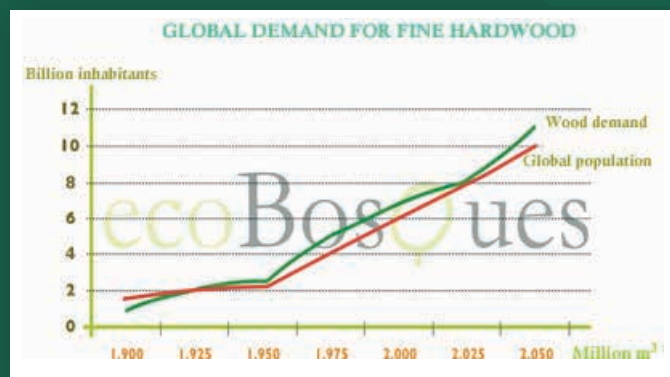
Table 2

(Number of Reporting Countries in Brackets)

Region	MAI (m ³ /ha/yr)		Rotation Period (in years)	
	Minimum	Maximum	Minimum	Maximum
Africa (7)	3	21	4	60
Asia (5)	2	14	20	80
Caribbean (3)	3	12	20	65
Central America (5)	5	30	6	30
Oceania (2)	5	12	20	30
South America (4)	10	27	20	30
World (26)	2	30	4	80

As noted in Table 2 (*above*), Central and South America have the highest and second highest, respectively, maximum mean annual increments (MAI). The MAI is a measure of how efficient land is at producing teak. Essentially it measures how much teak can be effectively produced in a hectare of land in a year considering factors such as soil, climate, etc. Even when looking at minimum MAI's, Central and South America have some of the highest minimum MAI's in the world, making it evident that these regions are some of the most efficient at growing teak.

Figure 2



Financial Stability

Teak has proven to be an incredibly stable investment. In 2008, when the world markets were tumbling, teak actually increased in value. And not just a modest increase; it increased in value by 9.5% that year. Even in good economic conditions it is uncommon to have a financial asset have an annual increase of 9.5%, and teak did it in the worst year of the Great Recession.

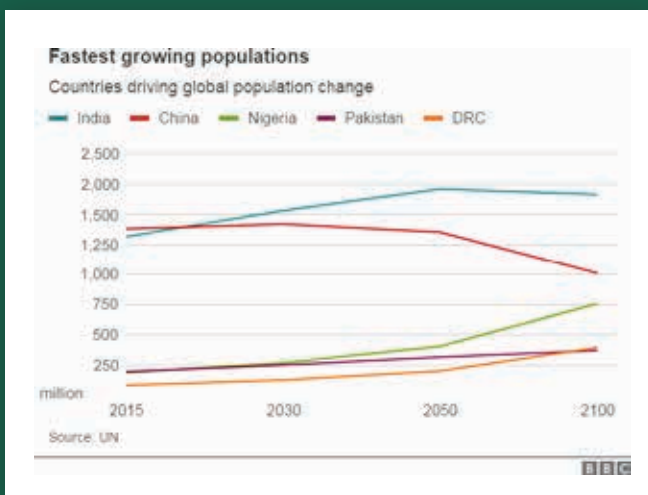
Over the past 45 years, timber products have only had 3 “down years.” Compare this to stocks, which have had a total of 12 “down years” during that same time period. And these numbers are for 1-year time periods. On a day-to-day basis, stocks will rise and fall drastically. Timber values, on the other hand, have a much less volatile nature to them. ⁽⁷⁾

Teak prices have historically followed population growth.

The global demand for fine hardwoods, including teak, is directly correlated with the global population. As the global population grows, so does the world’s demand for fine hardwoods. Teak prices have followed demand.

It is estimated that by the year 2050 the global population will reach 9.7 billion, and that by the year 2100 the global population will reach 11.2 billion; and it is estimated that by the year 2022 India will overtake China to become the world’s most populous country. These projections are more drastic than previous ones, which didn’t predict that India would overtake China as the world’s most populous nation until 2028. ⁽⁷⁾ What is even more significant is that India, which already has been established as the world’s leading importer of teak, will be at the forefront of the global population growth.

Figure 3 ⁽⁸⁾



If the laws of supply and demand continue to hold, it is likely that teak prices will continue to rise in the long term giving added value to the 2nd, 3rd, 4th, and subsequent harvests in the teak cycle.

Value of Teak

Value, or worth is certainly one of the most important aspects of an investment into teak. Unfortunately, it is difficult to pin down exactly “the price” of teak; this is because teak prices vary widely due to many factors including the age of the teak, quality of the soil it was grown in, country of origin, and dimensions of the logs sold. In the **Teak Resources and Market Assessment 2010 Report**, issued by the Food and Agriculture Organization of the United Nations, they stated that “Available teak prices correspond to a mix of heterogeneous material from different countries that represent wood harvested from plantations with different silvicultural treatments and timber quality.” ⁽⁵⁾ Despite the difficulty in pinning down the exact price for specific teak sales, industry average and trend data show teak prices to be incredibly strong and growing.

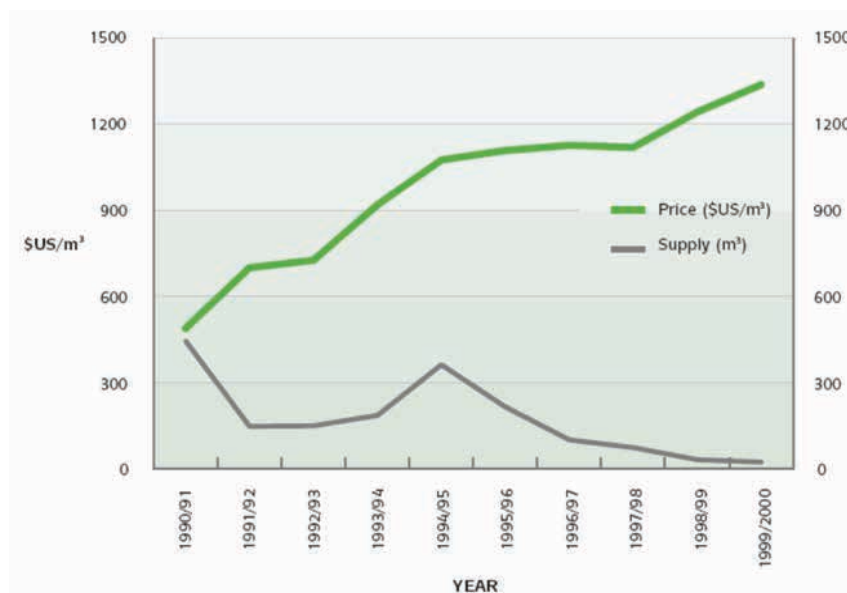
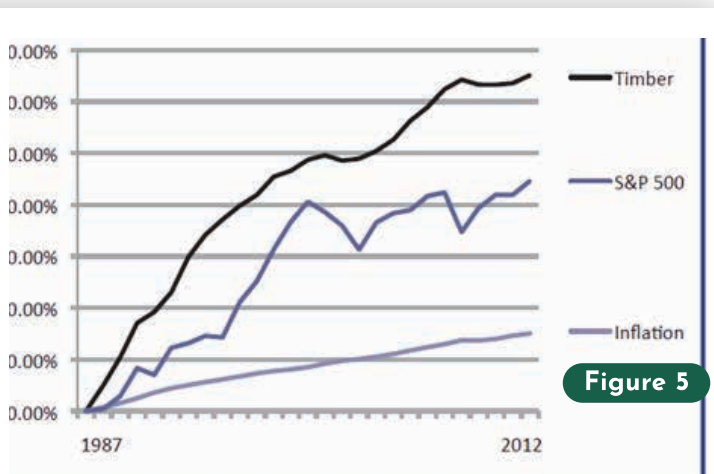


Figure 4 (9)



A HEDGE AGAINST INFLATION

Teak is an excellent hedge against inflation. Also seen in Figure 5, the value of teak logs and other teak products has consistently increased well above the rate of inflation, meaning that an investment in teak will not merely hold its value as time goes on, but actually increase in value.

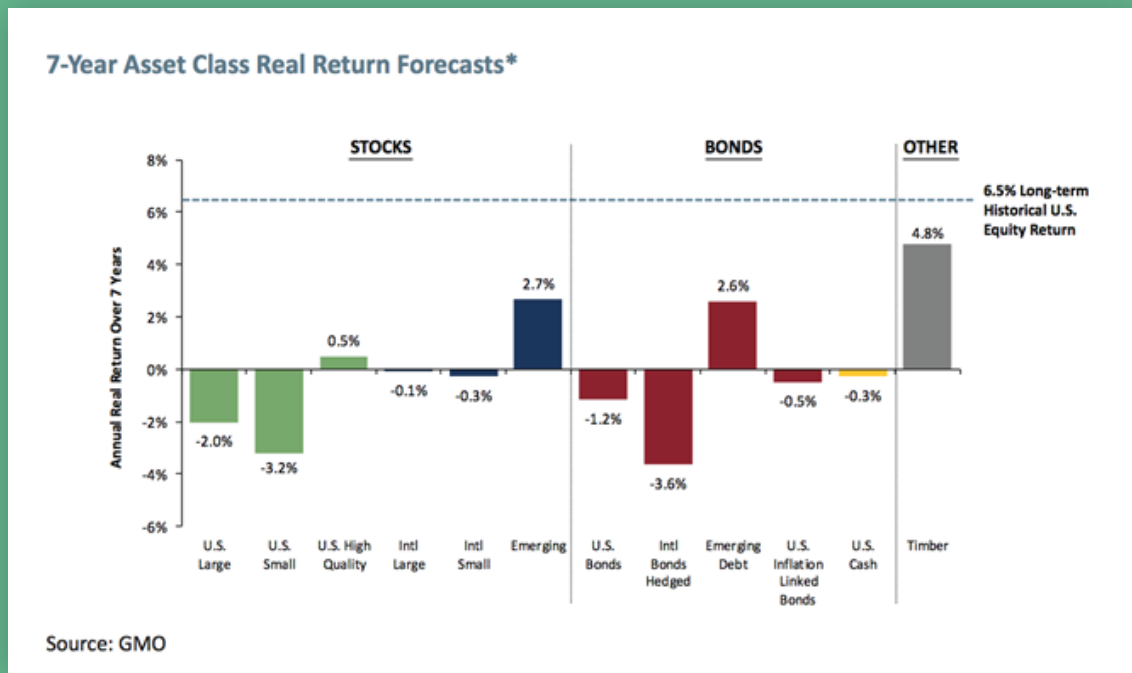
THE ULTRA-WEALTHY LOVE IT

Timber is amongst one of the most loved asset classes of the ultra-wealthy. Prominent investors such as Jeremy Grantham, Chief Investment Strategist for GMO, a private investment firm which today manages over \$100bn in assets, rave over timber. In his company's Q4 2015, 7-year asset class forecast, Timber is the highest performing of all the asset classes. ⁽¹⁰⁾

As seen in Figure 5, timberland investors have made 325.52% since 1987, beating the S&P 500's 223.11% return by nearly 50%—without the S&P's frightening volatility.

Historically, teak prices have exhibited very strong growth. From 1975-2005 teak prices increased by 8.3% per annum compounded. ⁽⁹⁾ The reason for this strong and steady increase is a growing demand coupled with a dwindling supply.

Figure 6



Top 10 Timber Land Owners in America

JOHN MALONE

2.2 Million acres
Net worth 7.7 Billion dollars
Endowment funds:
The John Malone Fund
Malone Family Foundation

TED TURNER

2 Million Acres
Net worth 2.3 Billion dollars
Endowment funds:
Ted Turner Fund

THE EMMERSON FAMILY

1.86 Million acres
Net worth 3.7 Billion dollars
Endowment fund:
Emmerson Endowment Fund

BRAD KELLY

1.5 Million acres
Net worth 2.2 Billion dollars

THE IRVING FAMILY

1.25 Million acres
Net worth estimated
10 Billion dollars
The Irving Family
Endowment Fund

THE SINGLETON FAMILY

1.1 Million acres
Net worth 750million dollars
Henry E. Singleton Endowed
Research fellowship

THE HEIRS OF KING RANCH

911,000 acres

THE HEIRS OF PINGREE LUMBER

AND WOOD-PRODUCTS COMPANY

830,000 acres
1.1 Billion acres
Pingree School Endowment Fund

THE REED FAMILY

730,000 acres
Net worth 1.7 Billion dollars
The Reed Family
Endowment Fund

STAN KROENKE

848,571 acres
Net worth 7.5 Billion dollars

Timber is a favorite investment opportunity for many other ultra-wealthy individuals. John Malone, former CEO of Tele-Communications Inc. and one of America's wealthiest individuals, owns 2.2 million acres of timber. Ted Turner, another extremely prominent and wealthy American media-mogul, owns over 2 million acres of timber. Additionally, the Harvard Endowment Fund, which is worth \$30 billion, holds 10% of its assets in timber investments.



Teak and You

Simply put, teak and related timber products have for years been a key component of many wealthy individuals and family office investment portfolio. Now, the time has finally arrived for those without 7-digit bank accounts to invest in this incredible opportunity as well.

CREATE GENERATIONAL WEALTH

Think about your kids, grandchildren, and other loved ones. An investment in teak is not only an investment for you, but also a prudent and wise investment for them. It offers them peace of mind knowing that you are going to leave a legacy, secure generational wealth stewardship, and do good for the environment. It is an investment that keeps on giving.

Teak trees reach peak value at two distinct points in their life. The first is at approximately 25-years-old. This is the age when most teak trees get harvested, as it is the earliest that the wood can be harvested while being at peak quality and value. The next time in their lives, when teak trees reach their second peak quality and value is at approximately 60 years old. A majority of plantations harvest at age 25 because of the more desired time-value aspect of a 25-year harvest cycle.

This lengthy growing process means that an investment in teak is one that will last for generations. The lack of liquidity scares many, but for the savvy investor, the long-term lines mean security. Locking up wealth for the long-term is a powerful asset protection strategy. For those seeking to plan for major expenses in the future, or who are working to create generational wealth for them and their heirs, this is the ideal solution.

Firm/Organization	Type	US Acres	2017 Rank
Weyerhaeuser	Public REIT	12,830,000	1
Rayonier	Public REIT	2,322,100	2
Sierra Pacific Industries (Emmerson Family)	Forest Industry	1,934,657	3
Portlach	Public REIT	1,347,836	4
Green Diamond Resource Company (Reed Family)	Private	1,369,232	5
J.D. Irving	Forest Industry	1,247,880	6
John Malone (BBC Land)	Private Individual	992,460	7
Ted Turner (Turner Enterprises, Inc.)	Private Individual	739,908	8
Tall Timber Trust	Private	660,697	9
Roseburg Forest Products / Roseburg Resources	Forest Industry	640,000	10

Figure 8

* Does not include institutional investors



Ownership of teak provides a means for the children, grandchildren and great grandchildren to attend college. It creates a better quality of life for their family. And it gives them financial freedom. An investment in teak made at the time of or slightly before a child's birth will result in the investment maturing right around that time that money will be needed to fund a college education or pay off a college loan.

According to Kal Chany, President and Founder of Campus Consultants, by the year 2030, around the time many of today's small children may be attending college, tuition at a private (*non-profit*) 4-year institution could be anywhere from \$71,373 to \$100,239 per year. Even if one were to attend a much more affordable public, 4-year institution (*in-state*), tuition will likely still run anywhere from \$41,228 to \$57,609 per year. The trend of increasing college tuition costs doesn't seem to be going away, yet a college education is more important than ever for career success. ⁽¹¹⁾

POPULAR ENDOWMENT FUNDS

- › President and Fellows of Harvard College
- › The Bill and Melinda Gates Foundation
- › Kaiser Foundation Hospitals
- › Yale University Investment fund
- › Trustees of Princeton University
- › National Rural Utilities Cooperative Finance Corporation
- › Howard Hughes Medical Institute
- › Trustees of Columbia University
- › Partners Healthcare Systems Inc.
- › Harvard Management Private Equity Corporation
- › Ford Foundation
- › Emory University
- › Cleveland Clinic Foundation
- › Duke University
- › Northwestern University

An investment in teak is also ideal for those who want to make plans for retirement. An investment in teak made in one's 30s or 40s will result in the teak maturing right around that time that one would start considering retirement. This is especially important nowadays, as the Social Security Administration itself has recently admitted that it projects itself to become insolvent by 2035. ⁽¹²⁾

It is a main reason that the wealthy are able to maintain their wealth. They have financial assets that can be passed down to their heirs. By investing in teak, one can have an excellent high-yield, low-risk financial asset to pass down to loved ones, ensuring a solid start to life for them.

One of the most important aspects of generational wealth stewardship is having a common goal, which can be passed down over the generations, keeping the family's investment philosophies aligned. Family offices, and private money management firms whose sole clients are often just one or perhaps several high wealth families, have been telling families about the importance of having a common family goal for years. 13 Teak is the perfect asset with which to create a common family goal because it links families over many generations. Wouldn't you like to be remembered as the ancestor with foresight who created the first of many powerful, wealth producing and protective legacies?

Teak, as you've read,
is also one of the
best ways to create
generational wealth.

AN ENVIRONMENTALLY RESPONSIBLE INVESTMENT

An investment in teak is an environmentally rejuvenating asset. Deforestation is a serious problem our world is facing *an epidemic*, one might even say. Forestland is being cut down at an exceptionally high rate and little is being done to counteract this. In the past 3 decades alone, an astounding 20% of the Amazon Rainforest has been clear cut. The World Wildlife Fund reported that worldwide, about 18.7 million acres of forests are lost annually.

Another astonishingly sad fact about the state of the global forests is that only 7% of forest land which is cut down is replanted. And as the demand for forest products climbs ever higher as the global population continues to grow, the need for reforestation becomes even greater. Teak itself is being cut at a rate 8-12 times faster than it is being replanted.

An investment in teak means that you will be supporting reforestation efforts. This is critically important, due to the dwindling size of the world's forests. The trend of cutting down forests is only increasing, while the supply forestland, old growth and replanted, decreases.



Pairing Up Your Teak to Residency

An additional benefit to investing in teak is that many governments of the world, recognizing the imminent threat that deforestation poses, have created programs to incentivize foreigners to invest in reforestation programs within their borders. One of the major benefits that foreigners are eligible to receive by investing in reforestation projects is permanent residency in the country in which they invest. Having permanent residency in a foreign country has many benefits, such as having a foreign nation to visit, stay for an unlimited period of time, or simply as a Plan B. Here is a list of some of the countries in the world that offer paths to residency by investing in reforestation projects within their borders.

PANAMA FRIENDLY NATIONS' VISA

The Central American nation of Panama currently offers one of the most turnkey programs in the world for permanent residency. The program is known as the "Friendly Nations' Visa," and it is one of the easiest ways of obtaining permanent

residency in a foreign country. With your initial investment into a teak plantation, you will be able to qualify for permanent Panamanian residency.

Perks of Friendly Nations Visa:

- › Only have to visit 1 day every 2 years
- › Can apply for a work visa
- › Can lead to citizenship after 5 years
- › Can easily add dependents! Your spouse, parents and children up to 18, or 18-25 if enrolled in university.

In addition, all resident women over the age of 55, and men over the age of 60 are eligible for:

- › 50% off entertainment (*movies, theaters, concerts, sporting events*)
- › 30% off bus, boat, and train fares
- › 25% off airline tickets
- › 25% off monthly energy bills
- › 30-50% off hotel stays
- › 15% off hospital bills (*unless insurance applies*)
- › Tax exemption on the importation of household goods up to \$10,000
- › Tax exemptions every two years on the importation or local purchase of a car



TEAK HARDWOODS

teak
hardwoods.com

NICARAGUAN RESIDENCY

The nation of Nicaragua, also located in Central America north of Panama and directly north of Costa Rica, offers a residency program for foreigners who invest in reforestation programs within the country's borders. This residency option is a very easy and simple way of obtaining residency in a foreign country. The total for the Investor Visa is approximately \$850/person. With this program, you are required to reside in Nicaragua for a minimum of 180 days, so that is something to bear in mind when comparing it to the Panama Friendly Nations Visa program.

The two countries listed above are two of the simplest and most reliable programs for permanent residency in a foreign country by way of investing in a forestry program.

Pensioneer Program:

- › No taxes on foreign income
- › Can import up to \$20,000 worth of household goods without duties
- › Applies only if you're 45+
- › Must receive more than \$600 a month from pension abroad

Investor Program:

- › You can run your own business
- › Must invest \$30,000 in Nicaragua
- › You receive a five year residency which is renewable
- › Applies at any age

Investing in Nicaragua brings not a single restriction on foreign ownership and there is equal treatment for both foreign and domestic investors. The land has freehold titling, while you can expect to pay a property tax rate at only 1%.

Conclusion

Teak is an incredible hardwood, the key to immense riches for the ultra-wealthy for centuries. Plantation investments have allowed this select group of people to gain high returns, while simultaneously being a very low risk investment. As teak continues to grow in age, it continues to grow in value. For the majority of history, an investment in teak has only been available to those who have a great amount of wealth at their disposal.

Thanks to the increase in teak plantations owned and operated by private corporations and private smallholders, specifically in the region of Latin America, this incredible investment opportunity is now available to a much wider audience. It no longer takes an investment of millions of dollars to become an owner of a teak plantation. This means that this incredible investment opportunity, which for so long has been the key to creating and sustaining generational wealth, is now available to the average investor.



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